

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice LP-2268

For: State and County Offices, CMA's, DMA's, LSA's, and Cotton Clerks

Pandemic Assistance Provisions for MAL Lien Searches

Approved by: Administrator



1 Performing MAL Lien Searches

A Background

On January 27, 2021, the Administration suspended all debt collections, foreclosures, and other adverse actions for borrowers of direct FLP loans and FSFL's because of the national public health emergency caused by the Coronavirus pandemic.

[7 CFR 1421.104 and 7 CFR 1427.12] Federal regulations state CCC may conduct lien searches and perfect its interest in loan commodities as it deems necessary. If there are any liens or encumbrances on the commodity pledged as collateral for MAL, CCC must obtain waivers that fully protect its interest even if MAL proceeds are offset to satisfy the liens or encumbrances.

8-LP, 7-CN, and 2-LP Peanuts provide the lien search policy for applicable commodities. Lien searches are only required if at least 1 of the following conditions exists when the producer requests an MAL:

- the producer has a MAL or LDP violation in the current or preceding year
- there is an existing lien on the crop
- there is no charge to conduct a lien search
- the aggregate loan value is \$50,000 or more.

B Purpose

This notice informs State and County Offices, CMA's, DMA's, LSA's, and cotton clerks of temporary provisions on when to conduct lien searches for producers requesting MAL.

Disposal Date	Distribution
July 1, 2022	State Offices; State Offices relay to County Offices, CMA's, DMA's, LSA's, and Cotton Clerks
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1 Performing MAL Lien Searches (Continued)

C Contact

State Offices must direct questions to the applicable contact according to this table.

IF the question is about...	THEN contact...
MAL policy for all commodities except peanuts and cotton	Shayla Watson by either of the following: <ul style="list-style-type: none"> email to shayla.watson@usda.gov telephone at 202-690-2350.
MAL policy for cotton, cotton clerks	Kelly Hereth by either of the following: <ul style="list-style-type: none"> email to kelly.hereth@usda.gov telephone at 202-720-0448.
MAL policy for peanuts and CMA, DMA, and LSA	Dana Wood by either of the following: <ul style="list-style-type: none"> email to dana.wood@usda.gov telephone at 202-692-5288.

D MAL Lien Searches

Until further notice, County Offices, CMA's, DMA's, LSA's, and cotton clerks must perform lien searches and file UCC-1's for MAL's according to this table.

Loan Amount/Loan Type	Perform Lien Searches		UCC-1 or Applicable Financing Statement	
	Yes	No	Yes	No
<\$250,000				
Farm-Stored		X	X	
Warehouse-Stored		X		X
= or > \$250,000				
Farm-Stored	X		X	
Warehouse-Stored	X			X
Note: If performing lien searches is a free service provided through the State, lien searches may be performed on all loans regardless of the dollar amount. Lien searches are still required for all sugar loans.				